GOVERNMENT OF INDIA
AGRO AND RURAL INDUSTRIES
LOK SABHA

UNSTARRED QUESTION NO:2715
ANSWERED ON:10.03.2003
SETTING UP OF AGRO BASED INDUSTRIES
NANDIPAKU VENKATASWAMY

Will the Minister of AGRO AND RURAL INDUSTRIES be pleased to state:

(a) whether the Government have launched Margin Money Scheme for setting up Agro based and other rural industries in the country;

(b) if so, the details thereof;

(c) the type of industries which are covered under the scheme;

(d) the number of such units set up under the scheme as on December 31, 2002, State-wise; and

(e) the total amount earmarked for the purpose and amount sanctioned and spent under the scheme so far?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF AGRO AND RURAL INDUSTRIES (SHRI SANGHPRIYA GAUTAM)

(a) & (b): The Government through Khadi and Village Industries Commission (KVIC) is implementing the Rural Employment Generation Programme (REGP) throughout the country for setting up Village Industries including agro and rural industries. Under this scheme the KVIC provides margin money assistance at the rate of 25% of the project cost upto Rs. 10 lakhs and for the project above Rs. 10 lakhs and upto Rs. 25 lakhs rate of margin money is 25% of Rs. 10 lakhs plus 10% on remaining cost of the project. In the case of weaker sections, the margin money grant is 30% of the project cost upto Rs. 10 lakhs but above this amount and upto Rs. 25 lakhs it is 10% of the remaining cost of the project. Under this scheme, the beneficiary is required to contribute a minimum 10% of the project cost. In case of SC/ST and other weaker sections, beneficiary`s contribution is 5% of the project cost.

(c): The scheme covers all industries belonging to the following seven groups :-

(i) Mineral Based Industries;

(ii) Forest Based Industries;

(iii) Agro Based Industries;

(iv) Polymer and Chemical Based Industries;

(v) Engineering and Non-Conventional Energy;

(vi) Textile Industries; and

(vii) Service Industries.

(d): The State-wise details of number of such units set up under REGP as on 31st December, 2002 is at Annexure-I.

(e): Since the inception of REGP in 1995-96 and upto 2001-02, the Government earmarked Rs. 626.88 crores of which Rs. 620.03 crores has been sanctioned and spent during this period.